

U.S. Department of Transportation
Consolidated Statement of Net Cost
For the Years Ended September 30, 2004 and September 30, 2003
(Dollars in Thousands)

Program Costs (Notes 15 & 16):	<u>FY 2004</u>	<u>FY 2003 (Restated)</u>
Surface Transportation:		
Intragovernmental Gross Costs	\$ 579,829	\$ 450,246
Less: Intragovernmental Earned Revenue	<u>48,265</u>	<u>67,444</u>
Intragovernmental Net Costs	531,564	382,802
Gross Costs with the Public	41,070,515	40,205,671
Less: Earned Revenues from the Public	<u>315,000</u>	<u>173,951</u>
Net Costs with the Public	40,755,515	40,031,720
Total Net Cost	<u>\$ 41,287,079</u>	<u>\$ 40,414,522</u>
Air Transportation:		
Intragovernmental Gross Costs	\$ 2,380,081	\$ 1,366,806
Less: Intragovernmental Earned Revenue	<u>84,246</u>	<u>10,288</u>
Intragovernmental Net Costs	2,295,835	1,356,518
Gross Costs with the Public	10,126,861	10,894,332
Less: Earned Revenues from the Public	<u>228,702</u>	<u>252,264</u>
Net Costs with the Public	9,898,159	10,642,068
Total Net Cost	<u>\$ 12,193,994</u>	<u>\$ 11,998,586</u>
Maritime Transportation:		
Intragovernmental Gross Costs	\$ 22,047	\$ 312,411
Less: Intragovernmental Earned Revenue	<u>260,710</u>	<u>469,167</u>
Intragovernmental Net Costs	(238,663)	(156,756)
Gross Costs with the Public	477,002	997,836
Less: Earned Revenues from the Public	<u>1,178</u>	<u>1,712</u>
Net Costs with the Public	475,824	996,124
Total Net Cost	<u>\$ 237,161</u>	<u>\$ 839,368</u>
Cross-Cutting Programs:		
Intragovernmental Gross Costs	\$ 54,157	\$ 52,765
Less: Intragovernmental Earned Revenue	<u>615,741</u>	<u>680,713</u>
Intragovernmental Net Costs	(561,584)	(627,948)
Gross Costs with the Public	568,543	632,224
Less: Earned Revenues from the Public	<u>6,213</u>	<u>4,105</u>
Net Costs with the Public	562,330	628,119
Total Net Cost	<u>\$ 746</u>	<u>\$ 171</u>
Costs Not Assigned to Programs	\$ 347,864	\$ 325,363
Less Earned Revenues Not		
Attributed to Programs	<u>12,631</u>	<u>22,388</u>
Net Cost of Continuing Operations	<u>\$ 54,054,213</u>	<u>\$ 53,555,622</u>
Transferred Operations:		
Gross Cost of Transferred Operations	\$ -	\$ 5,401,411
Less: Earned Revenue from Transferred Operations	<u>-</u>	<u>839,508</u>
Net Cost of Transferred Operations	\$ -	\$ 4,561,903
Net Cost of Operations	<u>\$ -</u>	<u>\$ 58,117,525</u>

The accompanying notes are an integral part of these statements.